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**UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK**

	X	
FLIGHT SCIENCES, INC.,	:	
	:	
Plaintiff,	:	07 CV 2830 (VM)
	:	
against	:	ECF CASE
	:	
CATHAY PACIFIC AIRWAYS LIMITED	:	<u>REPLY TO COUNTERCLAIM</u>
	:	
Defendant.	:	
	X	

Plaintiff Flight Sciences, Inc. (“Flight Sciences”), by and through its attorneys Proskauer Rose LLP, for its Reply to the Counterclaim (the “Counterclaim”) of Defendant Cathay Pacific Airways Limited (“CPAL”) contained in CPAL’s Answer to Complaint and Counterclaim (“Answer”) alleges as follows:

1. Responding to paragraph 70 of the Answer, admits that the Agreement contains a paragraph 15 entitled “Advertising/Public Announcement,” states that the language of the paragraph speaks for itself, states that the balance of paragraph 70 of the Answer states a legal conclusion as to which no response is required, and denies the remainder of the paragraph.
2. Denies the allegations contained in paragraph 71 of the Answer.
3. Denies the allegations contained in paragraph 72 of the Answer.

4. Denies the allegations contained in paragraph 73 of the Answer.
5. Denies the allegations contained in paragraph 74 of the Answer.
6. Denies the allegations contained in paragraph 75 of the Answer.

**AS AND FOR A COMPLETE AND SEPARATE FIRST
AFFIRMATIVE DEFENSE TO THE COUNTERCLAIM**

7. The Counterclaim fails to state a claim upon which relief may be granted.

**AS AND FOR A COMPLETE AND SEPARATE SECOND
AFFIRMATIVE DEFENSE TO THE COUNTERCLAIM**

8. Laches.

**AS AND FOR A COMPLETE AND SEPARATE THIRD
AFFIRMATIVE DEFENSE TO THE COUNTERCLAIM**

9. Statute of Limitations.

**AS AND FOR A COMPLETE AND SEPARATE FOURTH
AFFIRMATIVE DEFENSE TO THE COUNTERCLAIM**

10. Unclean hands.

**AS AND FOR A COMPLETE AND SEPARATE FIFTH
AFFIRMATIVE DEFENSE TO THE COUNTERCLAIM**

11. Waiver.

**AS AND FOR A COMPLETE AND SEPARATE SIXTH
AFFIRMATIVE DEFENSE TO THE COUNTERCLAIM**

12. Estoppel.

**AS AND FOR A COMPLETE AND SEPARATE SEVENTH
AFFIRMATIVE DEFENSE TO THE COUNTERCLAIM**

13. Acquiescence.

**AS AND FOR A COMPLETE AND SEPARATE EIGHTH
AFFIRMATIVE DEFENSE TO THE COUNTERCLAIM**

14. Consent.

**AS AND FOR A COMPLETE AND SEPARATE NINTH
AFFIRMATIVE DEFENSE TO THE COUNTERCLAIM**

15. Ratification.

**AS AND FOR A COMPLETE AND SEPARATE TENTH
AFFIRMATIVE DEFENSE TO THE COUNTERCLAIM**

16. All of Plaintiff's actions were in conformity with the terms of the Agreement.

**AS AND FOR A COMPLETE AND SEPARATE ELEVENTH
AFFIRMATIVE DEFENSE TO THE COUNTERCLAIM**

17. On information and belief, any language referenced in CPAL's Counterclaim comes from a public statement made by CPAL.

WHEREFORE, Plaintiff respectfully demands judgment dismissing the Counterclaim, together with costs and disbursements, judgment as requested in Plaintiff's Complaint, and any other relief that the Court may deem just and proper.

Dated: New York, New York
June 25, 2007



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